

# Discontented British workers launch season of strikes

AFP, London

With some trains at a standstill and threatened disruption to flights and postal services, a string of strikes and threatened walkouts are taking the cheer out of the British festive season.

Hundreds of thousands of commuters were Friday left stranded for the third day this week after staff on Southern Rail, which runs trains from southern England into London, stopped work in a long-standing row over conditions.

It rounds off a year of action that began with an unprecedented walkout by British doctors.

The train strikes meanwhile heaped pressure on London's already overcrowded Tube and bus network and hit train services to one of the capital's main airports, Gatwick.

Air travellers also face the prospect of disruption on Christmas Day and Boxing Day after British Airways cabin crew voted to strike over pay.

The airline slammed the Unite trade union, saying the "calculated and heartless action is completely unnecessary and we are determined that it will fail".

On Friday, Virgin Atlantic pilots hinted at their own possible strike action, while workers at the state-owned Post Office have announced five days of stoppages from Monday.

The chaos caused by the rail strike has sparked strong criticism of Southern Rail's management and the government, as well as the unions.

One MP from Prime Minister Theresa May's Conservative party has proposed tougher laws on taking industrial action on critical public infrastructure.

The government earlier this year passed a law requiring unions to have a ballot turnout of at least 50 percent before striking.

"We've already passed legislation to provide people with better protection from undemocratic industrial action, and we would keep under review how these measures are working in practice," the prime minister's spokeswoman said.

The rail dispute revolves around the company's plan to change the role of train guards, giving drivers sole responsibility for operating the doors.

## Sri Lanka secures \$1.34b WB loan

AFP, Colombo

Sri Lanka has secured \$1.34 billion in loans from the World Bank to boost the cash-strapped island's economy over the next three years, the finance ministry said Saturday. The loans would be at concessionary rates and repayments spread out over 15 years.

"This is a great victory for us and it will help us in the fiscal consolidation programme that the new government has started," Lankan Finance Minister Ravi Karunanayake said.

## BP signs \$2.2b Abu Dhabi oil deal

AFP, Abu Dhabi

British oil giant BP secured a 10-percent share in an onshore oil concession in Abu Dhabi on Saturday in a deal worth \$2.2 billion, the companies said.

BP signed an agreement with Abu Dhabi National Oil Company (ADNOC) to take a stake in the Abu Dhabi Company for Onshore Petroleum Operations (ADCO) which operates the 40-year concession.

"This agreement will provide BP with long-term access to significant and competitive resources that we already understand very well," BP chief executive Bob Dudley said in a statement.

BP said it would pay Abu Dhabi with new shares worth £1.76 billion (\$2.2 billion), leaving the emirate with a two-percent stake in the British company.

BP will second up to 50 technical staff to ADCO, whose oilfields produce 1.4 million barrels per day.

"This agreement marks a milestone in our efforts to forge new partnership models that bring technology, expertise and financing aimed at maximising the value of our resources and supporting the transfer of knowledge," ADNOC chief executive Sultan Ahmed Al Jaber said.

In January, French giant Total clinched a 10-percent participating share in the concession. Inpex Corp. of Japan secured five percent and South Korea's GS Energy three percent.

BP had held a 9.5-percent stake in a 75-year concession that expired in late 2014.

Other companies with shares in the old concession included Total, Exxon of the United States, Anglo-Dutch firm Shell and Portugal's Partex.

## Graduation from LDC status to cut into exports

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An LDC can graduate if it meets two of the three criteria, or riding on the income criteria if the country's income doubles.

At present, Bangladesh meets only the criteria under the EVI.

But in 2018, Bangladesh will have a fairly good possibility to also meet the HAI criteria and perhaps the income criteria too, according to the CPD analysis.

If Bangladesh meets all of the three criteria, it will be only one of the three countries to have done so. The other two countries are Djibouti and Yemen.

The graduation process for Bangladesh will kick in 2018, and the country will need to meet the criteria again in 2021 to avail the final recommendation.

The CPD analysis, which is based on the Untcad report as well as the think-tank's own inputs, said the graduation alone is not enough; the foundation for subsequent development is also needed.

The LDCs need to develop productive capacities and bring in structural transformation of the economy.

The Untcad report said the graduation is the first milestone in a marathon of development, not the winning post of a race to escape the LDC category.

Speaking at the media briefing, CPD Executive Director Mustafizur Rahman said: "The Untcad report is related to our national aspiration."

He said Bangladesh has to prepare a strategy for graduation.

Remittance has played a significant

part in recent years in raising the per capita income in Bangladesh, said CPD Distinguished Fellow Debapriya Bhattacharya. But the healthy flow of remittance may not persist in the coming days.

Similarly, the exchange rate of taka has also come under stress from the fall of pound sterling and the euro as a result of Brexit.

"So, it will be better to put emphasis on improving performance under the Human Assets Index. If we can provide quality education and health care it will help to increase productivity, which will ultimately help achieve faster sustainable growth."

Bangladesh needs labour-intensive industries, safe work place and adequate infrastructure for structural transformation, he said.

Economic growth and exports alone cannot ensure development.

"Rather, the growth has to be inclusive. Social inequality has to be reduced and environment has to be protected. There has to be rule of law and governance," Bhattacharya added.

Bangladesh has to bargain hard to realise more funds from international sources to help the country take on the climate change-induced challenges, said CPD Research Director Fahmida Khatun.

The Untcad report said some of the 16 countries that are projected to graduate by 2025, including Bangladesh and Bhutan, are likely to reach the milestone through broad-based development of productive capacities, diversification and structural economic transformation.

The report said LDCs are facing three major vicious circles: poverty trap, commodity trap and chronic current account deficits.

"Thus graduation, in principle, should mark the point at which an LDC has risen sufficiently from these vicious circles to rely primarily on its own strengths and on international markets for its subsequent development, without requiring the maximum concessionary treatment from development partners."

Bangladesh was the largest recipient of remittances among the LDCs in 2015, when migrant workers sent home \$15.4 billion, according to the Untcad report.

The country was also one of the highest official development assistance recipients in 2014 after it got \$1.4 billion.

The CPD recommended focus on a longer-term development pathway rather than on meeting statistical eligibility for graduation.

Sustainable post-graduation will critically hinge on maintaining the past momentum. The quality of structural transformation will be a key determinant in terms of smooth graduation, it said.

"A smooth graduation strategy should include industrial policies that enhance productive capacities and raises competitive strength of Bangladesh economy. Structural transformation is contingent on rural development."

CPD Additional Research Director Khondaker Golam Moazzem was also present.

## IT boosts banks' profitability: study

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All branches of foreign and private commercial banks were computerised in 2012.

By the end of 2015, more than 96 percent of the branches of state-owned commercial banks and 31.55 percent of branches of state-run specialised commercial banks were computerised.

Banks invested Tk 1,138 crore for running their IT operations last year, up from Tk 820 crore in 2014, according to the study. The amount does not include IT spending by the central bank.

Since 2000, the sector has invested about Tk 10,450 crore in the IT systems, according to estimates.

The study also found that the overall customer satisfaction score was 61 percent, meaning there is enough room to improve client experience.

Digitisation of banking, improving

operational efficiency and after-sales support are important factors in e-banking customer satisfaction, it found.

Banks and other financial institutions have become dependent on the computerised information system over the years for running their business operations.

At the moment, it is impossible to separate IT from these types of business operations, the report said.

At the end of 2015, only 65 percent of the banks were able to provide some sort of internet banking service in the country. It was 64 percent in 2014 and 61 percent in 2013.

A total of Tk 253.9 billion were transferred through internet banking in 2015, up 16.84 percent year-on-year, the report read.

There were 7,371 ATM booths in the

country in 2015, of which half were located in Dhaka. Less than 4.84 percent of the cash points are located in rural areas. Of the ATMs, 43 percent are set up by Dutch Bangla Bank alone.

More than Tk 83,912 crore was transacted through the ATMs last year. The total number of transactions was 13.49 crore.

Alam said banks have already invested Tk 30,000 crore, and every year the industry receives another Tk 900 crore to Tk 1,000 crore in new investments.

"The management also needs to understand the importance of securing their investments in the financial sector," he added.

The total number of plastic cards, including debit, credit and pre-paid cards, stood at 91.92 lakh, according to the study.

## Jute mills to get new lease of life

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From fiscal 2006-07 onwards, they made losses of Tk 66 crore to Tk 700 crore each year, according to the finance ministry statistics.

Once the project is complete, the mills' total revenues would more than treble to Tk 3,743 crore.

Besides the traditional jute goods, the mills would also be able to manufacture various non-traditional items like high value car dashboard, window and curtains, linen cloth, car seat cover and so on.

The Chinese company will also buy back some of the products after the completion of the project.

The study also found that the amount of land that the jute mills currently occupy can also be brought down. At present, the 24 jute mills sit on 2,228 acres.

The project will take off with three jute mills - Karim Jute Mills (Dhaka), Amin Jute Mills (Chittagong) and Platinum Jubilee Jute Mills (Khulna), the official said.

# Ratan Tata plays down talk of imminent exit from Tata Trusts

REUTERS, Mumbai

Ratan Tata, patriarch of one of India's most prominent business families, played down reports on Friday that he would step down soon as chairman of Tata Trusts, the largest shareholder in the Tata conglomerate's holding company.

In a report, the Times of India cited a Tata aide, R.K. Krishna Kumar, as saying the group was preparing for Tata to step down from the Trusts next year after two decades. It said an external consultant had been asked to advise on the selection process for a successor.

In a statement, Tata Sons said there were "no plans for (Ratan Tata) stepping down from the chairmanship of the Tata Trusts at this point in time." It said it would put in place a process for a "smooth succession at an appropriate time."

Ratan Tata and the charities that make up the Trusts have been at the heart of a public dispute with Cyrus Mistry, who was dismissed as chairman of Tata Sons in October.

Mistry has accused Tata of continuing to control the group's operations through the Trusts, even after retiring as chairman of the holding company in 2012. Tata, 78, rejects those claims.

Two trustees of the Tata Trusts - public

charities that own 66 percent of Tata Sons - told Reuters that a change was being considered, but said there was no timeline, and no external adviser had been retained.

Krishna Kumar told Reuters that talk about succession began before the current row with Mistry, adding there was "no question of an external firm being consulted."

VR Mehta, a trustee on the Sir Dorabji Tata Trust, one of several Trusts, also played down talk of Tata's departure, calling it "fairly premature."

"Although succession planning has long been on the table, the trustees have not had any meetings to discuss the hiring of any external firm," he said. Tata Sons has called for extraordinary shareholder meetings at over half a dozen Tata companies to dismiss Mistry as a director. Several shareholder meetings are due next week.

Shareholders of Indian Hotels Co, parent of Taj luxury hotels, are set to vote on Mistry's ouster on Tuesday, while similar votes are scheduled at Tata Steel, Tata Motors, Tata Chemicals and Tata Power Co on Wednesday, Thursday, Friday and Dec. 26, respectively.

Earlier this week, shareholders in Tata Consultancy Services, the conglomerate's most valuable company, voted to remove Mistry from its board.

# Facebook underreported iPhone traffic for some publishers

REUTERS

Facebook Inc said it had underreported the number of views on iPhone of content published by some publishers using its Instant Articles platform between Sept. 20 and Nov. 30.

Publishers make money through ads on their posts.

Facebook said on Friday that a recent update to one of its metrics had led to the issue and affected publishers using one of its legacy platforms. Traffic numbers for iPad

and Android devices were not affected.

The company apologised in September for an error in the way it measured a key measure of video viewership that significantly amplified users' viewing times on its platform.

The latest issue has been fixed and updated estimates will be provided, Facebook said. Facebook also said it was updating the way it calculates potential audience size for ads as a way to give advertisers a better view of the number of people they can expect to reach.

# DCCI to hold conference on economy next week

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Prime Minister Sheikh Hasina will inaugurate the conference to be attended by scholars, economists and trade analysts from home and abroad.

Experts will discuss five major issues -- energy, water and land resources management, infrastructure, sustainable development goals and the next billion dollar opportunities in Bangladesh.

"This is a timely discussion as we need innovative thinking to attract investment and create jobs. We have to think about our development for the next 100 years and for our next generation," Khaled said.

Bangladesh is losing at least 2.5 percent of its gross domestic product every year to weak infrastructure, he said.

"So, we need to overcome this infrastructure bottleneck. At the same time, we need development that protects the environment

and eco-system."

He said the government has identified 32 thrust sectors that have the prospect to export products and services worth billions of dollars.

Apart from the garment sector, which accounts for 80 percent of export earnings, the DCCI has identified several other sectors that also have export potential.

The prospective areas are backward linkage industries in the garment sector, shipbuilding, pharmaceuticals, ICT, automotive, leather and footwear, agro-processing and plastic.

The daylong conference will include seminars that will discuss investment potential in the country. The participants will recommend measures that will help attract investors, Khaled said.

The DCCI will forward the recommendations of the event to the prime minister for the government's consideration.

# US-Bangla to add more flights to Muscat

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The return fare on Dhaka-Muscat route, including taxes and surcharges, starts from Tk 38,607 and on Chittagong-Muscat the fare starts from Tk 40,557. A one-way ticket will cost minimum Tk 17,760.

US-Bangla also operates on Dhaka-Kathmandu and Dhaka-Kolkata routes. The airline also plans to expand international flights to Kuala Lumpur, Singapore, Saitpur, Rajshahi and Barisal.

Bangkok, Doha and Guangzhou from early next year. At present, it has two Boeing 737-800 and Dash three Dash-8Q400 aircraft in its fleet. The private carrier, which started its journey in July 2014, also plans to add another Boeing 737-800 to its fleet in January next year.

On the domestic front, UIS-Bangla flies to Chittagong, Cox's Bazar, Jessore, Sylhet, Saitpur, Rajshahi and Barisal.